

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7544

BILL NUMBER: HB 1608

DATE PREPARED: Jan 10, 2001

BILL AMENDED:

SUBJECT: Vigo County Innkeeper's Tax.

FISCAL ANALYST: Brian Tabor

PHONE NUMBER: 233-9456

FUNDS AFFECTED: **GENERAL
DEDICATED
FEDERAL**

IMPACT: Local

Summary of Legislation: This bill provides that the Vigo County Convention and Visitor Commission may issue bonds and enter into leases for the construction, acquisition, enlargement, and equipping of a sports and recreational facility.

Effective Date: Upon passage.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: This bill allows the Vigo County Convention and Visitor Commission to issue bonds for the financing of a sports and recreational facility. It also allows the Commission to use revenue from the county's innkeeper's tax to meet the obligations on these bonds. In FY 2000, Vigo County collected approximately \$502,000 in innkeeper's tax revenue which was deposited in the local Convention and Visitor Promotion Fund. The tax had been imposed at a rate of 2% until January 2000 when it was increased to 3%. Indiana statute permits the rate to be raised as high as 5% in Vigo County through local action.

Explanation of Local Revenues: *Secondary impact:* If a sports and recreational facility is constructed as a result of this proposal, positive economic development and additional tourism could occur in Vigo County.

State Agencies Affected:

Local Agencies Affected: Vigo County, Vigo County Convention and Visitor Commission.

Information Sources: Jean Vibbert, Vigo County Treasurer's Office, (812) 462-3251.